



# INDONESIA

## Market Brief

The United States is a leading supplier of agricultural products to Indonesia, with U.S. exports valued at \$3.3 billion in 2021, making the U.S. capture a 13 percent share of the market. For consumer-oriented products, U.S.' share in Indonesia was at 9% or equal to \$705 million in 2021.

## Quick Facts

### Demographics

- 273 million population (2021 est.)
- 4th most populous and the largest Muslim-majority country in the world

### 2021 GDP

- GDP: \$1,185 billion
- GDP growth rate: 3.69%

### Average Salary

- Nearly \$7,000 per year

## Best Product Prospects for U.S. Consumer-Oriented Products in Indonesia



Dairy products



Beef



Fresh fruits



Confectionery



Baked products



Snacks



Dried fruits and nuts



Beverages



Processed vegetables



Primary ingredients (e.g., wheat)

## Top U.S. Competitors in Indonesia

- Australia
- China
- Thailand
- Brazil



### Market Trends



- Large consumer base as Indonesia is the largest economy in Southeast Asia, with a rapidly growing middle class.
- Modern grocery stores are expanding to regions outside Java and other major urban areas, increasing market presence for imported products.
- All food products of animal origin must be certified halal and require an import permit from the government.
- Income inequality, especially in rural areas.



### Logistics



- Outside of the main island of Java, infrastructure, including ports and cold storage facilities, are inadequate.

### Import Regulations and Procedures



- Unpredictable regulatory environment with non-transparent import regulations.
- For details, please go to Indonesia: Food and Agricultural Import Regulations and Standards Country Report 2023 <https://www.fas.usda.gov/data/indonesia-food-and-agricultural-import-regulations-and-standards-country-report-0>

### Market Entry Recommendations



- Agricultural imports are required to be conducted by general importers/distributors and producer importers. Retailers and food service operators cannot import directly, thus, they procure imported products from importers or distributors, and from food processing companies.
- Buyers may be slow to respond to e-mails, especially if they do not know the sender. Indonesians generally prefer a face-to-face meeting.



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